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Background note on the situation in Guinea-Bissau

Summary

The present background note is designed to assist the discussions of the Guinea-Bissau configuration on the development of the Strategic Framework for Peacebuilding in Guinea-Bissau. It has benefited from the presentation made by the Prime Minister of Guinea-Bissau to the Guinea-Bissau configuration at its meeting on 20 February 2008 and the report of the exploratory mission presented by the Chairperson of the Guinea-Bissau configuration and discussed at its meeting on 5 February 2008.

The present note provides a brief overview of the current political and economic situation in Guinea-Bissau; examines the plans and frameworks that have been developed to support post-conflict recovery and development efforts in the aftermath of the 1998-1999 conflict; highlights the peacebuilding priorities and challenges for the country; offers an overview of regional and international initiatives as a prologue to the engagement of the Peacebuilding Commission with Guinea-Bissau; and concludes with a few suggestions for orienting the added value of that engagement.

The peacebuilding priorities and challenges that have been identified in the various presentations on Guinea-Bissau include reform of public administration; consolidation of the rule of law and security sector reforms; combating drug trafficking and organized crime; promotion of professional technical training and youth employment; addressing the needs of vulnerable groups; rehabilitation of infrastructure, in particular the energy sector; and reactivation of the economy.

There is growing recognition that in order to consolidate the peacebuilding process in Guinea-Bissau a special effort should be made to promote national reconciliation, enhance national ownership of the development process and rehabilitate or create institutions that will enable the Government to better manage all aspects of public policy, encompassing political, security and development issues.

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The Peacebuilding Commission can thus add value to its engagement with Guinea-Bissau by contributing to the effort to address the peacebuilding priorities and challenges facing the country. The specific mix of measures and the sequencing of the actions that the Commission would undertake will require a review of the nature and scope of programmes that are already under way with a view to identifying gaps and initiatives to fulfil them and generating synergies among programmes, heeding the urgent needs of the Government and taking into account the progress achieved thus far in each of the peacebuilding priority areas.

I. Introduction

1. By a letter dated 11 July 2007, the Government of Guinea-Bissau requested the Secretary-General to place the country on the agenda of the Peacebuilding Commission; the Secretary-General brought the letter to the attention of the Security Council on 26 July 2007.

2. In a presidential statement dated 24 October 2007, the Security Council took note of the Government's request to be placed on the agenda of the Peacebuilding Commission; on 11 December 2007, the President of the Security Council wrote to the Chairman of the Peacebuilding Commission requesting its advice on the situation in the country as well as on a set of specific issues.

3. At its meeting on 19 December 2007, the Organizational Committee of the Peacebuilding Commission established the Guinea-Bissau configuration under the leadership of Maria Luiza R. Viotti, Permanent Representative of Brazil to the United Nations. On 21 January 2008, the first meeting of the Guinea-Bissau configuration was held and additional members were invited to participate. At that meeting, the Chairperson announced her intention to conduct an exploratory mission to Guinea-Bissau to initiate contacts with the Government. She undertook that field visit from 23 to 25 January 2008 and on her return briefed the Guinea-Bissau configuration on 5 February 2008. On 13 February 2008, at an informal meeting of the Guinea-Bissau configuration, the Peacebuilding Support Office presented a paper entitled "Mapping of resources and gaps for peacebuilding in Guinea-Bissau".

4. On 20 February 2008, a delegation of the Government of Guinea-Bissau participated at the meeting of the Guinea-Bissau configuration in New York and presented their country's peacebuilding priorities and challenges; the delegation was headed by Prime Minister Martinho Dafa Cabi and included the Minister of Defence, Marciano Barbeiro, and the Minister of Finance, Issufo Sanha, and the Secretary of State for International Cooperation, Roberto Ferreira Cachéu. The representative of the Secretary-General in Guinea-Bissau addressed the meeting, supporting the Government's presentation.

5. The purpose of the present background note is to assist the discussions of the Guinea-Bissau configuration on the development of the Strategic Framework for Peacebuilding in Guinea-Bissau. It provides a brief overview of the current political and economic situation in Guinea-Bissau; examines the existing plans and frameworks that have been developed in support of post-conflict recovery and development efforts in the aftermath of the 1998-1999 conflict; highlights the peacebuilding priorities and challenges for the country; offers an overview of regional and international initiatives as a prologue to the engagement of the Peacebuilding Commission with Guinea-Bissau; and concludes with a few suggestions on adding value to that engagement.

II. Context

A. Political and security situation

6. Since its 1998-1999 armed conflict, the political situation in Guinea-Bissau has been volatile, marked by rapid turnover of Governments, against the background

of internal divisions within political parties, and tensions between the military and civilians. In recent years, however, progress has been made towards restoring constitutional order. Still, the political situation in Guinea-Bissau remains fragile due to tensions between the army and the Government, and a weakened capacity of State institutions to deliver public services.

7. On 12 March 2007, a 10-year national political stability pact and a Parliamentary and Government stability agreement were signed by the three largest political parties, the African Party for the Independence of Cape Verde and Guinea Bissau (PAIGC), the Social Renewal Party (PRS) and the United Social Democratic Party (PUSD). Under those agreements, PAIGC retained the post of Prime Minister and ministerial portfolios were divided as follows: 40 per cent each for PAIGC and PRS, 17 per cent for PUSD, and 3 per cent for other parties and civil society groups. The stability pact brought about the formation, in April 2007, of a new broad-based Government led by Prime Minister Martinho Dafa Cabi of PAIGC. In course of allocating the ministerial portfolios, PRS received less than 40 per cent and this has created tensions among the members of the pact.

8. Since assuming power in April 2007, the Government has begun to restore political stability and increase international confidence, which had been adversely affected by the 1998-1999 armed conflict and the ongoing political uncertainty. The new Government has implemented measures to address the current economic crisis and improve public management, including in the fight against corruption, and has been successful in encouraging donors, led by the World Bank and the International Monetary Fund (IMF), to resume their support. It adopted a fiscal reform and stability package in May 2007.

9. While the military has played an active role in national politics in the past, it is currently staying out of the political arena. However, in the past, the lack of a comprehensive security sector reform plan, combined with the Government's inability to provide for the army's basic needs, have resulted in several failed attempts at demobilization that prompted repeated mutinies and coups.

10. More recently, the latest security sector reform plan presented to the donor community in November 2006 at a Geneva donors' conference benefited from the support of the army. The national plan was launched during a ceremony held in Parliament on 23 January 2008; its successful implementation and conclusion is expected to contribute to political stability in the country.

11. With respect to the electoral calendar, in July 2007 President João Bernardo Vieira publicly advocated the joint holding in 2009 of the legislative elections scheduled for 2008 and the presidential elections scheduled for 2010, arguing the need to save costs. The head of the national electoral commission confirmed that Guinea-Bissau was not in a financial position to organize parliamentary elections as scheduled. Although no date has been formally set, Parliamentary elections are currently due to be held between October and November 2008. Presidential elections are due to be held in 2010 and should be followed by local elections to complete the full electoral cycle. While the successful holding of legislative elections would constitute a positive development, it would not proceed without risks since it would also be a time of increased vulnerability for the country and its stability. Moreover, party elections scheduled in the near future, such as the PAIGC congress and leadership contests scheduled for 3 to 6 April, have the potential to

derail the electoral agenda, which in turn could have consequences for the calendar of the Peacebuilding Commission for Guinea-Bissau.

12. The use of Guinea-Bissau's territory as a transit point for narco-trafficking activities between Latin America and Europe has contributed to further destabilizing the political situation. Institutional weaknesses, in particular with regard to the capacity of the police and judiciary, pose additional challenges in addressing this problem. The combination of increased incidences of drugs, arms trafficking and illegal immigration suggests that the weakness of State institutions is allowing a worrying surge in criminal activities.

13. In addition to drug trafficking, Guinea-Bissau is now facing emerging risks related to the use of its territory as a refuge for terrorists. Following threats of reprisals against the country by two Mauritanian nationals who were arrested in January 2008 in Bissau in connection with the murder of four French tourists in Mauritania, a special committee on national defence and security was set up to oversee the reinforcement of Guinea-Bissau's crime-prevention institutions and strategies. The authorities have requested assistance from their external partners in particular in view of the weak capacity of the Government to control its national borders.

B. Economic situation

14. Nearly a decade after the civil war, the economy of Guinea-Bissau remains weak and suffers from a series of structural problems. In 2007, real gross domestic product (GDP) growth was estimated at 2.7 per cent, reflecting only partial recovery in cashew exports and a resumption of donor inflows. Real GDP growth is projected to increase to 3.3 per cent in 2008 and the fiscal position is expected to improve in 2008 as the Government's emergency fiscal programme takes effect. However, the main fiscal challenge remains that domestic revenues are inadequate to cover basic public expenditures. Moreover, the continuing rise of oil prices will increase the import bills for Guinea-Bissau, worsening its current account deficit.

15. At the same time, the economy remains heavily dependent on cashew nut crops and related exports. Poor cashew management practices have resulted in a high percentage of those crops going unsold or being sold at a price well below the international average. In addition, the financial sector, although crucial for sustained economic recovery, is underdeveloped. Fostering a favourable business climate with a legal and regulatory framework that is conducive to increasing savings and investment, together with the improvement of political stability and the required basic public sector, will be crucial to economic recovery.

16. Guinea-Bissau has a very young population, close to 50 per cent of whom are aged 15 and below. The very high unemployment rate, particularly among youth, is reason for concern and needs to be addressed to ensure social stability.

17. Despite a clear commitment to improve public expenditure, the Government has not been in a position to reverse its dire budgetary situation. Budget support has been crucial to ensure the Government's ability to pay its wage bill, which is still marked by arrears. The country is also heavily indebted and has yet to benefit from full debt relief. Guinea-Bissau will therefore require continued access to grants and concessional aid flows in the medium term.

18. In recent months, the Government of Guinea-Bissau has made considerable efforts to regain the trust of the international community, in particular of the international financial institutions, through the implementation of measures to tighten fiscal policy and fight corruption. Consequently, the World Bank and IMF, followed by other bilateral, regional and multilateral donors, have committed themselves to re-engage with Guinea-Bissau. In that regard, the IMF Executive Board granted the country emergency post-conflict assistance on 28 January 2008 in the amount of US$ 5.6 million (in two separate tranches). Satisfactory performance in absorbing that assistance could pave the way for a poverty reduction and growth facility arrangement and eventual debt relief under the heavily indebted poor countries (HIPC) initiative and the multilateral debt relief initiative. The country has reached the "decision point" under the HIPC initiative since 2000 and under current conditions, IMF staff do not expect it to reach the "completion point" before 2010. Clearing domestic debt arrears is also an immediate priority and an audit of accumulated stock is ongoing.

19. However, the donor base remains limited and existing initiatives are often underfunded in terms of disbursements and pledges by bilateral, regional and multilateral partners of Guinea-Bissau. The country's main multilateral partner is the European Community. The ninth European Development Fund (EDF) for 2002-2007 provided €80 million for Guinea-Bissau. The tenth EDF (2008-2013) was recently signed in Lisbon for an initial programmable envelope of €100 million. The European Community provided an additional support incentive tranche of €23 million, based on a series of commitments on governance. IMF, the World Bank, the African Development Bank, the Economic Community of West African States (ECOWAS) and other regional stakeholders are important partners of Guinea-Bissau, while Portugal, Spain, France, Italy and Brazil are key bilateral donors in terms of grants and technical assistance.

20. The country's ability to absorb large amounts of external assistance is a critical element for the international community's efforts to scale-up aid. The macroeconomic absorption capacity of Guinea-Bissau is limited and the current United Nations capacity on the ground may be faced with related risks.

III. Existing national frameworks and plans: an entry point for peacebuilding efforts

21. As the Peacebuilding Commission begins its engagement with Guinea-Bissau, particular attention needs to be given to the existing strategies and policy frameworks on which it can draw, while ensuring a well coordinated, coherent and integrated approach to the country's challenges.

22. The Government has articulated its national poverty reduction strategy paper and security sector reform plan.

23. The national poverty reduction strategy paper for 2007-2010 is structured around four broad policy areas, including:

(a) Strengthening of governance, modernization of the public administration and ensuring macroeconomic stability;

(b) Promotion of economic growth and job creation;

(c) Increasing access to basic social services and social infrastructures;

(d) Improving the living conditions of vulnerable groups.

Some key peacebuilding aspects under each of these four broad priority areas are crucial for the anticipated advocacy of the Peacebuilding Commission for resource mobilization and the coordination of existing and expected bilateral and multilateral efforts.

24. The security sector reform plan is the Government's comprehensive framework for the restructuring of the armed forces and reforming the security and justice sectors. The reform of the security sector is articulated around the following three major sectors:

(a) *Defence*: focusing on the defence sector restructuring and resizing programme; the defence forces modernization programme; the reinsertion programme for demobilized personnel; and the programme to build subregional peacekeeping and security capacities;

(b) *Security and crime control*: with emphasis on the security sector restructuring programme; the security forces modernization programme; the capacity-building programme to control organized crime; and the security and citizenship programme;

(c) *Strengthening the reforms*: with special emphasis on the justice and security programme; the programme to improve the living conditions of national freedom fighters; the peacebuilding and national reconciliation programme; and the reform implementation capacity-building programme.

25. The security sector reform plan envisaged a reduction in size of the armed forces and the setting up of a national guard and new police and security forces. Those forces will focus on stemming the increasing influx of drugs transiting the national territory and other goods smuggled into the country. Despite previous unsuccessful demobilization efforts, the army seems committed to the latest plan, as expressed at the launching ceremony in Parliament on 22 January 2008.

26. In mid-2007, a pilot project was conceived as a viable forerunner for pioneering security sector reform programmes that would not end up with demobilized personnel rejoining the Armed Forces and also for paving the way for in-depth security sector reform. As part of the larger framework of the recently launched security sector reform programme, ECOWAS has received a US$ 2 million financial assistance package from the Government of Nigeria for a project in Brazil aimed to provide training in vocational skills for senior officers of the Guinea-Bissau Armed Forces. This project has been conceived within a disarmament, demobilization and reintegration mechanism under the Government's security sector reform programme so as to provide livelihoods to demobilized Armed Forces personnel. It will be implemented under a partnership between the Government of Guinea-Bissau, ECOWAS, the United Nations Peacebuilding Support Office in Guinea-Bissau (UNOGBIS) and the United Nations Office for Project Services, and is expected to start soon.

27. In collaboration with the United Nations Office for Drug Control and Crime (UNODC), in November 2007 the Government developed an operational plan for combating and preventing drug-trafficking to and from Guinea-Bissau. The operational plan has a three-year life span (2007-2010) and envisages: (a) posting of

a UNODC International Anti-Narcotic Organized Crime Adviser in Guinea-Bissau; (b) establishment of a specialized unit within the judiciary police to investigate and combat drug trafficking and organized crime; (c) strengthening of the judicial capability for prosecuting and sentencing drug-related and organized crime; (d) reform of the penitentiary administration; (e) availability of proper prison and detention centres in Guinea-Bissau; (f) improved access to justice in selected pilot sites; (g) improved detection and interdiction capabilities through the development of training curricula; (h) improved control of borders through increased mobility, communication and intelligence capabilities; (i) enhanced control over economic and financial activities taking place in Guinea-Bissau by both improved knowledge of unreported financial flows and economic activities and the setting up of an effective anti-money-laundering operational system; (j) an efficient system for controlling and stamping out corrupt practices in Guinea-Bissau; (k) increased capacity of the Public Order Police to provide enforcement of law and order to the citizens of Guinea-Bissau; (l) improved protection for, and access to justice by, ordinary citizens through support to Houses of Justice programme in all eight provinces; (m) improved access to justice through a focus on children in the justice system; and (n) continued restructuring and enhancement of the prison administration.

28. The United Nations Development Assistance Framework (UNDAF) 2008-2012 is articulated around: (a) governance; (b) economic growth and poverty reduction; and (c) social protection and human development. Those three priorities were derived directly from the national poverty reduction strategy paper and the common country assessment. Under governance, the United Nations system intends to strengthen State capacity to govern with due consideration for human rights, the rule of law and principles of transparent and efficient management of national resources. The current UNDAF envisages a number of projects to promote economic growth and poverty reduction, including supporting national institutions in the implementation of strategies for economic development, job creation and poverty reduction; developing the productive capacities of micro-, small- and medium-sized enterprises; encouraging diversified and sanitary local food production; and strengthening the capacity of national institutions, community-based organizations and companies to enforce principles of good governance and management of natural resources and the environment. Finally, the current UNDAF envisages improving access to quality basic social services for the vulnerable and improving the sustained development of human capital for national institutions. To date, UNDAF has been funded only up to one fifth of the indicative cost.

29. Civil society actors continue to play an important role in the constructive dialogue and the reconciliation process, as evidenced by the *Estados Gerais* initiative designed to bring together social, political and religious stakeholders. Launched on 7 March 2006 by President Vieira under the joint auspices of UNOGBIS, ECOWAS and the Community of Portuguese Language Countries, the *Estados Gerais* are a series of dialogues aimed at creating a space for consensus-building on the sources of instability, root causes of conflict and development priorities.

IV. Peacebuilding priorities, challenges and risks

30. During the exploratory mission to the country by the Chair of the Guinea-Bissau configuration, the Government's presentation to the Peacebuilding Commission, and numerous interactions with the representatives of the Government and other stakeholders, a number of peacebuilding priorities have been identified, including reform of public administration; security sector reform; combating drug trafficking; consolidation of the rule of law; provision of reliable energy supply to help increase production in the various sectors of the economy; assistance for the forthcoming elections; capacity-building for vocational training of youth; addressing the needs of vulnerable groups; and providing incentives for the reactivation of the economy.

31. The peacebuilding challenges faced by Guinea-Bissau are similar to those faced by other countries emerging from conflict. Many of those problems and the peacebuilding priorities that derive from them are interconnected. In Guinea-Bissau, political instability has had a direct and negative effect on the economic situation in the country, which in turn has severely undermined the Government's ability to tackle the huge problems in the education and health sectors. There is also a clear link between security sector reform and the revival of the economy, bearing in mind that a successful reform of the security sector hinges on an effective reintegration of the demobilized military into society. Effectively addressing both issues will have a positive effect on the fight against drug trafficking.

32. Maintaining peace and security is crucial for concerted and sustained efforts to fight poverty. In order to eradicate poverty there has to be economic growth, while in order to have growth there has to be a well-functioning and adequate infrastructure, most notably in energy, which is essential to the increased production of goods and services. The lack of diversification in the economy and the country's poor economic performance, compounded by high unemployment rates, have led to a fragile fiscal condition, which, in turn, has prevented the Government from providing the basic services that are critical for the maintenance of sustainable and long-lasting peace. Breaking such a vicious circle, in which recurrent economic, institutional and political instabilities are intricately linked, is crucial for addressing peacebuilding challenges in the country.

A. Reform of public administration

33. The Government of Guinea-Bissau has long recognized that the current public administration is weak and needs reforming. The lack of public-sector reforms has hindered the Government's ability to deliver basic social services, while the relatively huge size of the public service has created difficulties in paying the wage bill and fostered corruption. The delay in paying salaries to civil servants has been the root cause of numerous strikes and has contributed to political instability. At the same time, the failure to deliver basic social services has created disillusionment among the population in their Government's capacity to provide for their most basic needs. Overall, improving economic governance, including combating corruption, will be vital to enhanced public service delivery.

34. It is envisaged that the reform of the public sector will focus on three main issues: improving the professional competence of the public sector through training;

modernizing public sector practices; and strengthening public financial management. In pursuance of the latter, the Government adopted in May 2007 a minimum programme for the restoration of fiscal stability with the aim of improving revenue collection, disciplining expenditure execution, and enhancing the level of cash flow to address salary arrears. Those measures have led to a strengthening of relations with the international financial institutions.

35. The peacebuilding dividends of a reform of the public sector in Guinea-Bissau are therefore manifold. The reform of the public administration will allow a substantial reduction of the Government's wage bill, making its administration more efficient and allowing the Government to divert the resources saved towards much-needed investment in the social services, while addressing some of the root causes of the dissatisfaction among the population and civil servants. An important initiative to restore the morale of public sector workers would be to clear the backlog of salary arrears owed to them.

B. Consolidating the rule of law and security sector reform

36. Several unsuccessful attempts have been made in the past at reforming the security sector in Guinea-Bissau. Many of the soldiers ultimately returned to active service since the conditions offered for their demobilization were far from propitious for reinsertion and reintegration. The implementation of the security sector reform plan launched on 23 January 2008 will be crucial in addressing such issues as the resizing of the defence and security sector to bring it in line with the country's needs and the demobilization and reintegration of its soldiers, as well as building capacities and enhancing efficiency in the justice sector; mobilizing national and international resources for investment in the sector; and involving civil society in the implementation of reform.

37. The use of parts of the country as transit points for drug-trafficking from Latin America to Europe has further highlighted the need to strengthen the country's police and security forces. The drug phenomenon has also increased the need to have a well-functioning justice and penitentiary system, which currently lacks the technical capacity, equipment and legal framework to cope with both civil and criminal offences.

38. An independent and effective judiciary is the bedrock of the rule of law. Strengthening the justice sector will be essential to embedding the rule of law in the evolving democratic context in the country. The rule of law is the glue that will bind the reform of the security sector to the democratic process in the country. While the holding of periodic elections will allow the public to hold political leaders to account, electoral legitimacy will enable the political leaders to exercise effective control of the armed forces. Ensuring that the forthcoming parliamentary elections are conducted in a credible and transparent manner is therefore crucial to consolidation of the rule of law in the country.

39. The successful conduct of the elections requires adequate preparations, with a particular emphasis on voter registration and a public-awareness campaign, as well as the payment of the backlog of salary arrears to the staff of the electoral commission. Indeed, the failure to pay those pay arrears is a source of growing frustration and friction and could hinder the smooth conduct of the 2008 parliamentary elections. Funding those needs will be critical to a smooth conduct of

the next elections. Yet the resources mobilized still fall far short of the estimated costs.

C. Drug trafficking

40. Drug trafficking is widely recognized as one of the new threats to the political stability of the country. In recent years, Guinea-Bissau has become an important transit point for drug trafficking from Latin America to Europe. Guinea-Bissau has very limited law enforcement capacities, which jeopardize its actions to investigate, seize drugs and arrest and prosecute traffickers.

41. Drug-trafficking and organized crime in Guinea-Bissau have ramifications for both its economy and its politics and constitute a destabilizing factor for the socio-political fabric of the country. It poses a direct threat to the institutional order of the country and to the political and social structures in Guinea-Bissau. Therefore, it is crucial to not only cut off the flow of drugs through the country but also to cut off illicit financial flows by focusing on strengthening the prevention and deterrence capabilities of the country, as well as addressing corruption and controlling external financial flows linked to money-laundering. Tackling these problems successfully will strengthen the rule of law.

42. UNODC has posted a senior law enforcement specialist in Guinea-Bissau to assist the Government in outlining a national strategy to combat the problem. The European Union has made a commitment to supporting the national authorities in their efforts. Others, including Portugal and South Africa, have signed cooperation agreements to bolster Guinea-Bissau's anti-drug forces. The Government has also called on its neighbours, Senegal, Cape Verde and the Gambia, to join its efforts in controlling their common borders.

43. The European Union and ECOWAS recently launched a dialogue on the fight against drug trafficking, which includes plans to develop comprehensive strategies to combat the increased illicit trafficking of drugs. ECOWAS, in cooperation with the United Nations, intends to organize, in May 2008, a regional conference on drug trafficking in West Africa.

D. Promotion of professional training and youth employment

44. There is general recognition that the growing youth unemployment in Guinea-Bissau poses a threat to the social cohesion and political stability of the country. Addressing that problem would require vigorous efforts to increase employment opportunities and prepare the youth to take advantage of such opportunities. Targeted professional training and vocational training holds the key to equipping the youth with the necessary technical skills to participate in the various sectors of the economy.

45. The creation of micro-, small- and medium-sized enterprises will contribute greatly to employment generation for the youth. In support of that effort, it will be desirable to establish microfinancing organizations that can provide assistance to the operators of the micro-, small- and medium-scale enterprises. The range of assistance offered by the microfinance organizations would encompass lending,

training in business management and the efficient recording of financial transactions.

E. Rehabilitation of the energy sector

46. Like most countries emerging from the ravages of conflict, Guinea-Bissau's infrastructure has experienced significant damage or fallen into disrepair. According to ADB, the 1998-1999 armed conflict led to the destruction of 80 per cent of the country's economic infrastructure.[1] The severe financial constraint under which the country has operated in the past several years has limited the Government's ability to make public investment in infrastructure. The adverse consequences of poor infrastructure are particularly pronounced in the energy sector. The lack of reliable energy has hindered agricultural, industrial and commercial production and contributed to low economic growth in the country.

47. In turn, this has discouraged private investment, reduced employment opportunities and limited the possibility of economic diversification. Tackling the energy problem is critical to the prospects of short-term economic recovery and long-term growth and development. A composite set of measures is required to increase the generation and supply of energy, including rehabilitating existing electric power facilities, adding new power plants so as to extend the areas of electricity coverage in the country, and creating a sound legal and regulatory framework for the energy sector.

F. Addressing the needs of vulnerable groups

48. While the Government has not been in a position reliably to provide the most basic social services to its population, it remains concerned and committed to improving the living conditions of the most vulnerable groups of its population. The Government has identified the most vulnerable as being any person who cannot provide for his or her own daily basic needs, such as children, women, the disabled, youth, war veterans and the elderly. This priority will include the expansion of health and education infrastructures and their improvement, as well as targeted measures to promote job creation and lower unemployment, notably among women and youth.

49. Under the national poverty reduction strategy paper, the Government intends to promote the socio-economic integration of vulnerable groups through the improvement of their social protection and the promotion of income-generating activities. The Government also intends to develop specific programmes to support vulnerable groups, such as programmes promoting the creation of reception and monitoring centres and fighting illiteracy among women.

[1] See African Development Bank; *Guinea-Bissau: Results-Based Country Strategy Paper 2005-2009* (2005).

V. Prologue to the engagement of the Peacebuilding Commission: regional and international initiatives

50. Since the end of its 1998-1999 conflict, Guinea-Bissau has received various forms of regional and international support. While those efforts did not manage to address the country's chronic problems, they could be considered in future strategies.

51. The ECOWAS Monitoring Group and the Community of Portuguese-speaking Countries initiated a series of international peacemaking, peacekeeping and peacebuilding initiatives during the Guinea-Bissau 1998-1999 conflict.

52. At the same time, in March 1999 the Security Council created the United Nations Peacebuilding Support Office in Guinea-Bissau, with a mandate to provide the political framework and leadership for harmonizing and integrating the activities of the United Nations system in the country, particularly during the transitional period leading up to general and presidential elections. UNOGBIS was specifically designed to bring an integrated approach to the United Nations engagement with Guinea-Bissau and to provide support to the country over the years. However, it has always had modest human and financial resources to fill the gaps in resources. As a result, a number of other international initiatives were launched to advocate for Guinea-Bissau with the international donor community.

53. The Group of Friends of Guinea-Bissau, chaired by the Gambia, was created in 1999 by 14 countries. As a result of its large and diverse membership and Guinea-Bissau's low strategic priority, the Group of Friends has operated informally to help mobilize resources for peacebuilding and development in Guinea-Bissau, albeit with limited impact. Through its Chair, it participates in the Economic and Social Council Ad Hoc Advisory Group on Guinea-Bissau.

54. In 2002, the Economic and Social Council established the Ad Hoc Advisory Group on African Countries Emerging from Conflict and Guinea-Bissau became the first country on its agenda. Chaired by the Permanent Representative of South Africa, the Advisory Group also includes Brazil, Guinea-Bissau, the Netherlands and Portugal. The Permanent Representatives of the Gambia (as Chairman of the Group of Friends of Guinea-Bissau) and Angola (as Chairman of the Ad Hoc Working Group of the Security Council on Conflict Prevention and Resolution in Africa) and the President of the Economic and Social Council also took part in the work of the Advisory Group, which has been an important mechanism, enjoying procedural legitimacy combined with a high degree of informality and flexibility. It has been able to maintain sustained attention on Guinea-Bissau through innovative approaches, such as periodic field visits, including a joint mission with the Security Council in June 2003. The Advisory Group has liaised closely with other relevant stakeholders in the United Nations system, the international financial institutions and permanent representatives of neighbouring countries. It has consistently promoted a "partnership approach" between the Government and the donors. However, the Advisory Group has struggled with the implementation of its recommendations on Guinea-Bissau, notably because of the country's continuing political instability and the reluctance of the donor community to provide predictable support in the midst of political uncertainty and a lack of financial probity.

55. Created in September 2006 with the active encouragement of the President of the ECOWAS Commission, Mohamed Ibn Chambas, the International Contact Group on Guinea-Bissau includes Guinea-Bissau's principal regional and international interlocutors. At its September 2007 meeting, the International Contact Group called on the Government to strengthen its economic governance in order to increase international confidence for the speedy release of the necessary funds. It also called on the donors to honour their pledges at the Geneva donors' round-table meeting held in November 2006. Recognizing the importance of coordinated efforts to support Guinea-Bissau's socio-economic development, the International Contact Group proposed a summit meeting of the Heads of State of the Contact Group, heads of international financial institutions and the Secretary-General.

56. In September 2007, European Union countries and a group of like-minded countries met in London and established a Friends of Security Sector Reform in Guinea-Bissau. The network is designed to share information within and between European Union member States, other key actors and the European Council secretariat.

57. As the present brief review of previous initiatives demonstrates, there have been several generally complementary efforts by the international community to draw international attention to Guinea-Bissau's pressing challenges and to help mobilize resources to address them. While some of those efforts were ad hoc, informal, modest in nature and relatively limited in their impact, others, like the Advisory Group, have enjoyed strong institutional support but did not have the necessary tools to convene the international community around a mutually agreed agenda with the Government of Guinea-Bissau. Through its explicit mandate and its integrated peacebuilding strategies, the Peacebuilding Commission is well placed to build upon the work of the Advisory Group to date and to draw upon the extensive experiences of UNOGBIS while working with other ongoing initiatives and mechanisms.

VI. Conclusions

58. Although Guinea–Bissau may not always have been high on the international agenda, it has benefited from regional and international initiatives launched to provide support to the country in the aftermath of the 1998-1999 civil war. The paper entitled "Mapping of resources and gaps for peacebuilding in Guinea-Bissau", presented on 13 February 2008, highlighted the financial resources that have been committed to various programmes and projects as a consequence of some of those initiatives and the funding gaps that still remain.

59. The engagement of the Peacebuilding Commission with Guinea-Bissau marks a new and important phase in international support for the country. It represents an expression of the continuing international commitment to help the country overcome the legacy of war and lay the foundation for political stability, social cohesion and sustained economic growth and development.

60. There is growing recognition that in order to consolidate the peacebuilding process in Guinea-Bissau, special effort should be made to promote national reconciliation; enhance national ownership of the development process; and rehabilitate or create institutions that enable the Government to better manage all aspects of public policy, encompassing political, security and development. This

implies that the implementation of the peacebuilding priorities should contribute to the realization of those objectives.

61. The lack of significant progress in national reconciliation has been an important factor in the country's periodic political tensions. There are a number of grievances that underlie those tensions. The Government continues to owe salary arrears to public-sector workers, including electoral commission staff. The military is currently embracing the security sector reforms but has deep concerns about living conditions in the barracks, the extent of political support for the military's modernization and the adequacy of the preparations and retirement benefits for soldiers on demobilization.

62. At the same time, weak public-sector institutions have limited the ability of the Government to make public policy; deliver basic services; and prepare, implement and monitor development programmes, including by actively engaging development partners in that process. Thus, the combination of a lack of national reconciliation and weak public-sector institutions has reduced the effectiveness of national ownership of development.

63. The Peacebuilding Commission can add value to its engagement with Guinea-Bissau by contributing to the efforts towards national reconciliation, the rehabilitation of State institutions and the strengthening of national ownership of development in the context of addressing the peacebuilding priorities and challenges facing the country. The specific mix of measures and the sequencing of the actions that the Commission would undertake will require a review of the nature and scope of programmes that are already under way with a view to identifying gaps and initiatives to fulfil them and generating synergies among programmes, heeding the urgent needs of the Government and taking into account the progress achieved thus far in each of the peacebuilding priority areas.